

Protective Intellectual Property Services, LLC

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MAXIMIZING THE VALUE OF YOUR INTELLECTUAL PROPERTY (IP) THROUGH STRATEGIC IP MANAGEMENT AND COMMERCIALIZATIONSM

TRANSLATING "TECH-EZE" INTO THE LANGUAGE OF BUSINESSSM

September 2007

Clients and Friends,

This newsletter contains current news about US patents and the US Patent and Trademark Office, current intellectual property (IP) court cases, domestic and international IP news and IP information of general interest to management of technology companies, inventors, entrepreneurs and attorneys.

If you have been following the patent reform debate underway in Congress, you know that Congress has been considering major changes to the patent rules which will change how a patent will be of value to an inventor. As usual, there are two sides pushing for change. One side is led by the major IT companies, including Microsoft, Cisco, Apple, Dell, Verizon etc., and the financial services industry i.e., the [coalition for patent fairness](#), who are concerned about themselves being sued, for what they think are patents which should never have been issued, because they are "obvious" and if they are found to infringe, they want to minimize their financial liability. On the other side are organizations such as patent attorneys, universities, pharmaceutical companies and individual inventors, who are dependent on being able to protect their intellectual property (<http://www.politico.com/news/stories/0707/5187.html>).

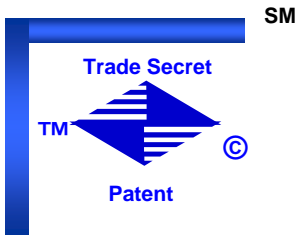
This legislation is expected to come to vote in the House of Representatives on Friday, September 7. Preliminary vote counts indicate that the bill will pass the House by a substantial margin (totals Yes 219 - No 176). There are articles in this newsletter which discuss both sides of the debate. A vote is expected in the Senate before Columbus Day 2007. If you haven't made your views known to your Senators, consider doing so; the future of your company may be at stake. Patent reform contains many aspects that will hurt innovative in the U.S. economy including:

- Shifting patent search work done by government examiners to applicants, requiring them to submit a search report to the patent office rather than having the patent examiners perform the search.
- Shifting the patent system to a first-to-file like the rest of the world from the current first-to-invent. I told my representative that since we are the most prolific inventors and entrepreneurs in the world, we obviously are doing something right and why should we change to a system that the rest of the world has shown to be less inventor friendly.
- Retaining the obviousness criteria language ...obvious to a person of average skill in the art... thus, leaving that confusion and uncertainty in the patent process
- Creating a post-grant review process which destroys the presumption that an issued patent is valid. "The presumption of validity shall not apply in a challenge."
- Changing the basis for damage awards in patent infringement cases to reduce the cost to the infringer.
- Revising the standard for assessing "willful infringement" - which triggers a tripling of ordinary damages to make it harder to prove willful infringement,

PIPS helps companies maximize the value of their IP by identifying a company's IP, providing strategic IP services; pre-legal IP protection assistance and negotiation services; and in-licensing of needed technologies and out-licensing of "excess" technologies. PIPS also translates "tech-eze" into the language

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of strategic partners, financial sources, legal advisors and other non-technical business people that need to understand the company.

Please visit [PIPS' web site](#) for more information about PIPS, its services and capabilities. PIPS works directly with idea-based companies and/or with their attorneys.

Please contact PIPS to discuss your situation in a [free confidential](#) 45 minute consultation.

We appreciate your feedback at suggestions@protectiveIPservices.com.

USPTO

New Rulemaking

US Patent Office Proposes Rule Changes

InformationWeek - Manhasset, NY, USA
By KC Jones The US Patent and Trademark Office has proposed new rules it says will improve patent quality, reduce pending applications, and help examiners. ...

USPTO News: Patent Office Proposes New Rules for Alternative Claiming

By Donald Zuhn
By Donald Zuhn -- On Friday, the US Patent and Trademark Office (USPTO) announced that it was proposing new rules that will improve an examiner's ability to focus the examination process for claims that contain more than one independent ...

US to change multi-patent rules

VNUNet.com - UK
The US Patent and Trademark Office (USPTO) will change its rules to speed up the processing of patent claims for inventions which include more than one ...

USPTO Proposes New Rules for Claims Containing Alternative Language

By Sheppard Mullin
On August 10, 2007 the United States Patent and Trademark Office ("USPTO") announced that it is proposing new rules for

the examination of any claim using alternative language directed to more than one independent and distinct invention ...

New patent rules hurt biotech?

Scientist - UK
The US Patent and Trademark Office (USPTO) will today (Aug. 21) issue new rules intended to streamline the patenting process. But the change will also make ...

Patent Office Takes Applicants to the Woodshed For Sending Too ...

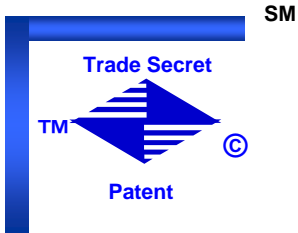
Patent Baristas - Cincinnati, OH, USA
The United States Patent and Trademark Office (Office) is continuing its march towards world domination by revising the rules of practice in patent cases ...

Final Rule: Changes To Practice for Continued Examination Filings, Patent Applications Containing Patentably Indistinct Claims, and Examination of Claims in Patent Applications

Dennis Crouch's Patently-O
The USPTO issued new rules on August 21, 2007 that will be effective November 1, 2007. The Federal Register article is available [here](#).

Patents with More Than 25 Claims

Dennis Crouch's Patently-O
The newly finalized claim rules would practically limit most patent applications to



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twenty-five or fewer claims. To get some sense of how this rule would affect current practice, I ran three separate searches this afternoon:

...it seems likely that the PTO's new claim filing limits will impact US applicants at a much greater rate than it would foreign applicants.

COURTS

[Microsoft Reaches Settlement on EOLAS Patent](#)

O'Reilly Radar - Sebastopol, CA, USA

Read more The retrial of the EOLAS '906 patent lawsuit against Microsoft was to have begun on Monday in Chicago. I learned yesterday that Microsoft had ...

[Microsoft Off The Hook In \\$1.5 Billion Patent Suit](#)

Wired News - USA

It's complicated, convoluted, and kind of like the tech patent version of General Hospital. Despite the courtroom flip-flopping, it is interesting to see ...

[Judge finds Qualcomm misled industry, withheld documents in patent ...](#)

International Herald Tribune - France

The ruling, dated Monday, came in one of several patent disputes between chipmakers Qualcomm and Broadcom Corp. Qualcomm initiated the case, suing Broadcom ...

[Supreme Court relaxes the test for patent obviousness and limits the extraterritoriality of U.S. patent law](#)

Skadden Arps Slate Meagher & Flom LLP

On April 30, 2007, the Supreme Court reversed the Federal Circuit in two cases, one involving a long-standing Federal Circuit test for finding a patented invention obvious and the other involving the Federal Circuit's extension of patent damages to infringing conduct outside the United States.

[The Adword Conundrum—Search Engine And Subscriber Liability](#)

Reed Smith LLP

The Internet has irrevocably changed the vista of trademark law, and has provided trademark owners with new challenges - and new remedies - unforeseen prior to the advent of the technology.

[Patent Defendants Score Big at Federal Circuit](#)

Law.com (subscription) - San Francisco, CA, USA

Tech company general counsel, who routinely wrestle with accusations of patent infringement, can breathe a sigh of relief -- thanks to a decision Monday by ...

[Patent Ruling May Help](#)

Wall Street Journal - USA

By PETER LATTMAN In a significant win for companies accused of patent infringement, a federal appeals court has essentially raised the bar for proving ...

[KSR's impact on some recent court decisions](#)

Squire, Sanders & Dempsey LLP

On April 30, 2007 the Supreme Court rendered its decision in KSR International Co. v. Teleflex, Inc.

[Court enters first post-eBay permanent injunction against non-competitor in patent infringement case](#)

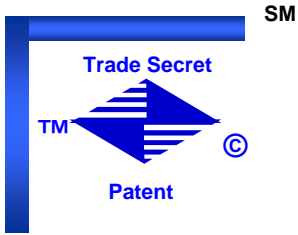
Jackson Walker LLP

In a decision that may result in increased patent licensing revenues for universities and research organizations, Judge Leonard T. Davis became the first district judge to enter a permanent injunction against a non-competitor since the United States Supreme Court's decision in eBay Inc. v. MercExchange, L.L.C., 126 S. Ct. 1837 (2006) (eBay).

[Ebay: The Final Word?](#)

Simpson Thacher & Bartlett LLP

A year has passed since the Supreme Court issued its ruling in eBay, Inc. v. MercExchange, L.L.C. ("eBay") directing district courts to use the traditional four-factor test to determine whether an adjudicated infringer should be permanently enjoined from future infringement.



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[MedImmune: changing the US licensing landscape](#)

Fitzpatrick Cella Harper & Scinto

The recent United States Supreme Court decision in MedImmune v Genentech significantly changed the law governing the challenge of patent licences in the United States.

[CSIRO v. Buffalo Technology: a permanent injunction trump card for patent trolls? - Lexology](#)

Goodwin Procter LLP

The recent decision in CSIRO v. Buffalo Technology, Inc. just might have been the trump card traditional patent trolls could use to visit the permanent injunction promised land.

[The calm after the storm: KSR's impact and lessons for patent litigators and prosecutors](#)

Dickstein Shapiro Morin & Oshinsky LLP

The U.S. Supreme Court's recent ruling in KSR International Co. v. Teleflex, Inc. on the "obviousness" of patents has attracted much fanfare in both the trade publications and the lay press.

[Reasonable Pertinence may be Sufficient to Combine References in Obviousness Rejection](#)

Dennis Crouch's Patently-O

To be used in an obviousness rejection, prior art must be "reasonably pertinent to the problem addressed" by the patent applicant. Usually this is satisfied by references in the same field of technology or that address the same problem. Here, the CAFC saw enough similarity to find the bed art pertinent:

DOMESTIC

Patent Reform

[Bush Administration Supports Patent Reform](#)

Dennis Crouch's Patently-O
The Bush administration **does not** support the apportionment section of HR.1908.

[Utube on patent reform](#)

(<http://www.youtube.com/watch?v=-lewaN3t29U>)

A very funny, tongue-in-cheek video, which I'm afraid it is all to true. After spending 20 years in Washington DC, I know that such 'education of Congress' is all too true. "It is said that there are two things that you don't want to see how they are made – sausages and laws." Lanny Feder. Protective Intellectual Propoerty Services, LLC

[Finance industry leads on patent reform](#)

Politico - Washington,DC,USA

Its lobbyists stormed the Hill, pushing patent reform as the perfect pro-business issue for the new Democratic majority. The Roundtable's CEOs would testify ...

[Broken Patent System? Google, Apple Disagree](#)

Slashdot - USA

Whiney Mac Fanboy writes "The AlwaysOn Stanford Summit featured the panel discussion 'The Patent Crisis: Crossroads for the Business of Technology. ...

[US Patent System 'Tilting Out of Bounds'](#)

PC World - USA

IT industry execs say the US patent system has veered off course and is being abused. The US patent system has veered off course and is being abused, ...

[High-Tech Companies Face Patent Pressure](#)

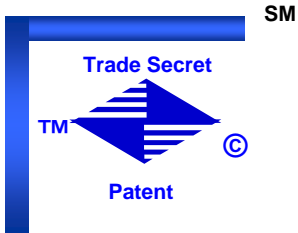
TheStreet.com - USA

Last week, SP Technologies of St. Petersburg, Fla., filed a complaint against Apple alleging infringement on a patent that relates to the iPhone's ...

[Engineers Fight Patent Reform, Not Patent Trolls](#)

New York Times - United States

By Brad Stone Observers have



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dwindling hopes this year for passage of Senate Bill 1145, or the Patent Reform Act of 2007, which weakens the patent system by ...

[Apple Spends \\$720K Lobbying for Patent Reform](#)

The Mac Observer - USA
by Jeff Gamet , 8:15 AM EDT, August 31st, 2007 Apple Inc. is looking to make some changes to the US patent system and spent US\$720000 during the first half ...

[Industry has mixed reactions to proposed US patent bill](#)

Gowling Lafleur Henderson LLP
On July 18, 2007, the House judiciary committee approved H.R. 1908, the Patent Reform Act of 2007.

The following article, while it addresses Ethanol IPRs, is generally applicable to other technologies. PIPS can help you decide how to identify and protect your intellectual property.
[Intellectual Property and Ethanol: Seven Steps for Success](#)

Ethanol Producer Magazine - Grand Forks,ND,USA

Educate employees: A company can and will fail miserably at capitalizing on its intellectual property potential unless its key employees are well versed. ...

[A patent improvement](#)

The Economist print edition

Intellectual property: A new scheme will solicit comments via the internet to improve the vetting of patent applications

[Maximizing patent term extension for a drug product based upon FDA review](#)

Reed Smith LLP

Patenting newly developed drug products is the life's blood of a branded pharmaceutical company.

[Wisconsin Technology Network: Open Source Software: Is It Really and Truly Free?](#)

Baker & Hostetler LLP

Cleveland partner Deb Wilcox, co-chair of the firm's Intellectual Property Litigation practice, authored a column that was published on July 17 on the Wisconsin Technology Network website titled, "Open Source Software: Is it Really and Truly Free?"

[Lawmakers pursue more money to guard intellectual property](#)

GovExec.com - Washington,DC,USA
By Andrew Noyes National Journal's Technology Daily August 15, 2007 Intellectual property protections for US inventors and businesses would get a modest ...

[New Patent Rule Could Be Arduous for Biotech](#)

BioWorld Online - Atlanta,GA,USA
By Donna Young A new federal rule issued last week was intended to make the patent examination process more efficient for the government, but the US Patent ...

[Recent Court Cases Bad News for Patent Trolls](#)

By Steve Morris

A Technology Review article suggests that the recent court cases make injunctions less likely, and make obvious inventions harder to patent, all of which makes life harder for patent trolls.

[PatentMonkey: BIG Patent Changes are Here](#)

CrunchGear - Brooklyn,NY,USA

While Congress takes a break for August on The Patent Reform Act, two competitors that steal the thunder: the USPTO and the US Circuit of Appeals for the ...

[Labs power up packs of intellectual property](#)

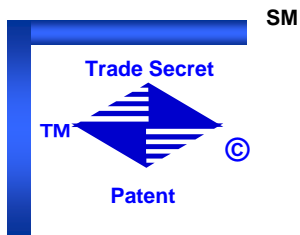
Los Alamos Monitor - Los Alamos,NM,USA
Four nuclear weapons laboratories agreed Friday to pool intellectual properties created by their scientists and engineers. The Intellectual Property ...

[Patent System's Revamp Hits Wall](#)

Wall Street Journal - USA

By GREG HITT WASHINGTON -- A bipartisan effort in Congress to overhaul the patent system -- a priority for some of the nation's biggest technology companies ...

[New patent rules hurt biotech?](#)



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The Scientist.com

The US Patent and Trademark Office (USPTO) will today (Aug. 21) issue new rules intended to streamline the patenting process. But the change will also make it more costly and time consuming for universities and biotech companies to secure rights to their life sciences discoveries, patent experts say

[Protecting your invention](#)

Strasburger & Price LLP

The intellectual property of a company may not only be its most important asset but may be a new company's only asset.

[Lawyer who took over from invention promotion firm is excluded from practice](#)

Fish & Richardson PC

Bender took over prosecution of 1,000 design patent applications for an invention promotion firm, but he never clearly explained to his new clients the lack of value in design patents.

[Virtual reality: a modern legal crucible](#)

Squire, Sanders & Dempsey LLP

With the popularity of virtual worlds such as Second Life firmly on the rise, legal issues both esoteric and long dormant may be ripe for analysis.

[The report on Antitrust Enforcement and Intellectual Property Rights: Promoting Innovation and Competition](#)

Dickstein Shapiro Morin & Oshinsky LLP

On April 17, 2007, the Department of Justice (DOJ) and the Federal Trade Commission (FTC) concluded a series of panel discussions and issued a joint report entitled, "Antitrust Enforcement and Intellectual Property Rights: Promoting Innovation and Competition" ("the Report").

[2007 Patent Litigation: Timing the Transition from Patent Issuance to Patent Litigation](#)

Dennis Crouch's Patently Speaking

In the past, I have filed patent infringement lawsuits on the same day that the patent issued. That highly aggressive strategy is not

the only approach — many patentees delay years before filing suit.

[In re Seagate Technology:](#) Dennis Crouch's Patently Speaking

In a rare unanimous *en banc* opinion, the CAFC has overruled its prior precedent — holding that willful infringement enhanced damages now requires "at least a showing of objective recklessness."

[INTERNATIONAL](#)

[Coalition Declares War on 'Cybersquatting' and Other Internet Frauds](#)

TMCnet - USA

... for example, there was a 25 percent increase in petitions filed against cybersquatting with the World Intellectual Property Organization. ...

[Mr. President: Void That Exclusion](#)

Forbes - NY, USA

Throughout our respective tenures as US trade representatives, it was our job to promote and protect US intellectual property rights across the globe. ...

[PROTECTING INTELLECTUAL PROPERTY](#)

National Center for Policy Analysis - Dallas, TX, USA

The White House will soon have an excellent opportunity to deliver an unambiguous message to our global trading partners: Intellectual property rights must ...

[UNCTAD Calls for IPRs Reforms](#)

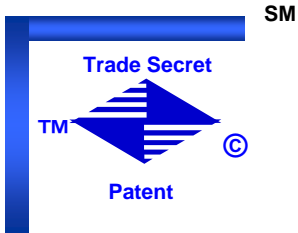
ag-IP-news Agency - Amman, Jordan

Much of the chapter dealing with IP focuses on the World Trade Organization's (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights ...

[Chinese patents 'in sharp rise'](#)

BBC News - UK

By Quentin Sommerville China has seen a sharp increase in requests for patents, according to the UN's intellectual property agency. ...



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[Japanese led world in filing of patent applications in 2005](#)

The Japan Times - Japan
GENEVA (Kyodo) Japan remained tops in the world for international patent application filing in 2005, the World Intellectual Property Organization said in a ...

[Copycats popping patent law pill](#)

Economic Times - India
NEW DELHI: A Crucial provision in the country's patent law that stood the test of legal challenge by MNC drug maker Novartis is emerging as a global ...

[US Asks WTO Panel To Address Chinese Intellectual Property Rights ...](#)

Textile World Magazine - Atlanta,GA,USA
He noted that China has taken some steps to improve intellectual property rights protection and enforcement, but that gaps still remain. ...

The following case is in Britain, but is probably applicable in the US.

[Facebook case is a warning, says Wilkes](#)

ic Birmingham.co.uk - Birmingham,UK
Nigel Wood, senior partner at the Wilkes Partnership, said many firms needed a better grasp on their intellectual property rights and should be taking ...

[Attorney-client privilege may not apply to communications with foreign attorneys](#)

Quinn Emanuel Urquhart Oliver & Hedges LLP
Do not assume all communications between attorneys and their clients for the purpose of obtaining legal advice are protected by the attorney-client privilege, particularly when those communications are between foreign in-house attorneys and their co-workers.

[HOW CHINA DOES IT The Rogue That Plays by the Rules](#)

Washington Post - United States
Its lure as a production site, even for multinational companies with sensitive intellectual property, continues to grow, and as of this summer it boasted a ...

OTHER

[What JK Rowling can teach about digital asset protection](#)

InterGovWorld.com - Toronto,ON,Canada
Public sector organizations should likewise guard their critical intellectual property, including personal information, contracts, and other sensitive ...

[Protecting Intellectual Property](#)

Express Computers - Bombay,India
Everyone realises the importance of Intellectual Property, but most ignore the importance of protecting it. Security solutions can help. ...

[From the US Copyright Office...](#)

By Nancy Baum Delain, Esq.(Nancy Baum Delain, Esq.)
"Copyright is a form of protection provided by the laws of the United States (title 17, US Code) to the authors of "original works of authorship," including literary, dramatic, musical, artistic, and certain other intellectual works. ...

[Activated Content Licenses Microsoft Technology to Enhance Audio ...](#)

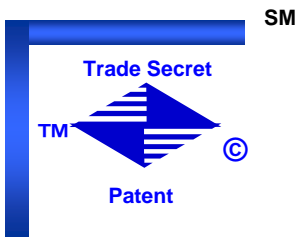
CNNMoney.com - USA
"Microsoft is committed to licensing its intellectual property portfolio to benefit customers and the IT ecosystem as a whole. Agreements like this allow ...

[INTELLECTUAL PROPERTY ON THE INTERNET Top Ten Things to Remember](#)

Top Ten Things to Remember 1. Copyright protection applies to the Internet and extends to different mediums. Protection can extend to written text, images, sound, and computer software on the ...

[Renegotiating university biotechnology licenses](#)

McCarthy Tétrault
Many biotechnology companies are spin-offs from universities and other academic institutions, such as research centres or hospitals.



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[Proving viability is possible even without a patent](#)

Seattle Post Intelligencer - USA

Are patent filings really a requirement to get funding? How can I work around this problem to get investors onboard fast? A: In light of Barry Bonds ...

[Ocean Tomo Releases Catalogue for Its Fifth Live Intellectual ...](#)

Business Wire (press release) - San Francisco, CA, USA

Hundreds of key decision makers in the intellectual property and financial communities attend and participate in the auctions and related workshops, ...

[ConnectU vs. Facebook: How To Screw Up Your Startup](#)

By Arborlaw

... go spectacularly wrong for a technology startup when the entrepreneurs omit the essential first step of visiting a startup lawyer to do the intellectual property law groundwork before launching into development for their venture. ...

[Risks to Consider When Purchasing Technology-Based IP for Securitization](#)

Summit Point Management

... focused on the risks associated with technology-based intellectual property (quotation marks High Pain." Haitian marks) and will provide transaction and value waiters and originators with the working list of risk influenced to items to consider when reviewing opportunities involving the purchase of IP for securitization.

[Important Warning: Never Send Intellectual Property Over Instant ...](#)

By Joel Falconer

If you send a file through any of these programs, you lose your exclusive rights to it (if you owned the intellectual property to begin with). If you discuss sensitive plans, ideas or campaigns for your project, these can be used or ...